

EXHIBIT 17

From: Felipe Herrera
To: Steve Vachani
Subject: RE: response to your December 26th e-mail
Date: Saturday, January 03, 2009 9:30:16 AM

Steve,

1) What do you consider minimum payroll? That is a new concept; not sure who coined the term. People who normally have their salaries deferred (Eric, Cornelius, myself) are not willing to have anything else deferred. No one knows if the company will survive and they are not willing to bet their food and money they earned with their hard work on it. "Deferred" right now might mean "lost forever", and that is a risk no one is willing to take for any company. Not anymore, not at this point.

I had Eric telling me a few days ago he will take money that is supposed to pay for the salaries of some of the employees in Salvador this month to pay himself because he has 4 deferred salaries. I can't blame him. I think he is absolutely right.

I had Cornelius telling me yesterday he has 4 deferred salaries and that this is not acceptable in his opinion, so he was seriously considering and would most likely be bailing out next week. And this is coming from a guy who is pretty well off financially. What I told you about people disagreeing with what happens to the money that comes in is based on these and other conversations I had with various people.

I told him that I still expected to receive my deferred salaries with interest and my termination fees when/if I leave, and he said "good luck with that".

I do not/will not accept deferring any more salaries either for the abovementioned reasons. For us, when you say minimum payroll, considering we will have no one else left in Rio, we hear "everyone but you guys".

2) Not only do we not agree with some of your decisions, but we (let me say "I" since I cannot speak for others, although I know what they think) do not think some decisions are yours to make. This money does not belong to you. It belongs to the people you owe it to. You need to revisit your priorities. Number 1 priority should not keep Salvador office intact. They are part of the same company that is about to bankrupt; same company that is going through financial hardship and they should share some of the pain. Keeping "Salvador office intact" is a fictitious situation and you are doing that with other people's money. This is not right both from a professional and humane point of view.

3) Regarding lawyers, it would be great to get pro bono lawyers working for us. You forget that I also know a ton of lawyers and have had contact with many throughout the world and I have to say what you are saying is not common in other parts of the world. If you say it is possible, then I believe you and will be waiting for your referrals of lawyers that will accept working for free. In the meantime, I will contact Cooley and see what they are willing to do for us. You don't need to remind me that we don't have any money right now...I am feeling it in my skin. In any event, it is imperative that we obtain proper legal advice immediately and respond to the lawsuit in the appropriate way and venue.

Don't tell me "it is easy to criticize". I am not one of those people who sits idly by or the "opposed party" who is not in power and just likes to criticize. I am one of the only 3 directors of this company and I have worked hard to get there. I also spent sleepless nights toiling away for the good of the company. Regardless of titles and pompous names, I am a worker and someone who has also made sacrifices for the company. I don't think I have to remind you that I took a toll on my personal life with many things and a great part of it stemmed from the lack of money, late salaries, etc.

Please don't say that to me. What I am trying to do is the exact opposite. I am trying to share responsibilities with you and help you make these decisions.

By the way, I did not understand the sentence "I obviously don't have an issue with you." Please



clarify.

4) One more time: my loyalty is not the issue. Loyalty also does not mean agreeing with everything you say or do. For me, it is the exact opposite. It is to state my opinions in order to help you and the company and be strong when I have to. Please understand also that my loyalty to you, the company or anyone else will always come after my loyalty to myself and to being humane. I know this company is your life, probably more so than for myself or even Eric. I know that because of this you are not willing to give up, and that this is the reason we haven't bankrupted yet. However, I also know that this can blind you to other things and that you don't see that the sacrifice you are willing to make yourself is different than the sacrifice others are willing or able to make, and that by not paying them you are forcing them to do it.

Yes, I understand there is no money. What I am talking about is when the money comes in. In my mind, people shouldn't suffer anymore for the company to survive. If we need to close it down so we can pay them, so be it. If we can avoid that, great. If we can't without sacrificing them too much, then it is time to accept that and move on. Accept it, pay people and then pursue other options.

Anyway, I guess what I am asking of you is for you to appease us and give us your word that everyone will get paid when the money comes in. The general impression is that people who left the company will not get paid, that you will default and simply not pay anyone because your priorities are to keep the Salvador office running and the product online. Not because of the lack of money, but because you will not use the money, when it comes in, to pay these people. I guess you can imagine what that does to people's state of mind...people who are counting on that money to pay their debts. We need you to say: don't worry, everyone will get paid, and this is the timeframe".

I am sorry if my email is strong. I think we are past the "stepping on eggshells" part. Your effort and honesty are appreciated.

Thanks,
Felipe

From: steve@stevevachani.com [steve@stevevachani.com]
Sent: Saturday, January 03, 2009 1:22 PM
To: Felipe Herrera
Subject: RE: response to your December 26th e-mail

Felipe, I read every email completely and am very conscious of everything going on. I am in a triage situation where I need to make decisions that will keep us alive and buy us time.

As always, I sincerely appreciate all your comments and they are definitely timely and taken very seriously.

There is one major problem. We have NO money. That is a fact. And in a triage situation, we need to make very difficult decisions. I have been through this before as an investor, board member, CEO, and in helping friends companies. I understand that it is not easy.

The fact is that we have no money for the Rio office and that our Salvador office is worth 95% of our companies value right now. If that doesn't operate, everything else is irrelevant.

Also, right now, time is the key. I understand that I have until the end of January to arrange enough financing to keep us operational for the next 3 months together with clear prospects of larger financing closing shortly thereafter.

We had to survive the New Year and holiday and if we make it through this next week minimum payroll, we will make survive and come out stronger than ever. This is not delusional. This is reality based on my judgement and what I know is happening.

I realize that all my decisions are not going to be agreed with. I am making decisions with very limited resources. #1 priority (keep Salvador office intact), #2 priority (keep site growing with product developing. #3 Make correct business development deals that will create momentum and increase value.

Of course If we had money beyond Salvador salaries, we would pay it. If we had anything, we would pay it.

Obviously, I know it is important to get lawyers. And you are incorrect. High quality Silicon Valley lawyers will review this and give their initial feedback and recommendations in showing what they can do. Most of them will also take this on without taking money up front and there is a chance that some will do this initial work for free. That is a fact and something that is very common. I am not disagreeing that we don't need legal advice. I am just reminding you that we have no money.

That being said, a lot will change over these next two weeks with money and I realize that. So I am hanging on for our life.

I only stated that Facebook will follow up with us on Tuesday or Wednesday to let us know their intentions. If they decide to drop everything, but have some requirements, then we can get legal advice if we want to accept that.

It is easy to criticize things after things don't go well. Nobody, not even DFJ, predicted the market crash, predicted our losing our Series B financing, predicted losing our Fir financing. It happened and we adapted accordingly. The entire board was very aware of our budget for the last year and the risks we had. But they also assessed our prospects based on the facts as I did.

Shit happened and we are making the most of it.

Obviously, I understand clearly what we will do with money coming in. As of now, we have no money. So I am acting accordingly.

Please do contact attorneys at Cooley or others. I obviously don't have an issue with you. You should be asking me for referrals also of who to contact. Remember that I also know 1 or 2 hundred lawyers in the Silicon Valley. Anyways, go ahead and contact Cooley.

please be very clear that I have been sleeping an average of 3 or 4 hours a day for the past 2 months and spend every moment prioritizing and thinking about solutions to the impossible challenges we were presented. My board and investors bailed on me and our investors left us to dry. Fortunately, this maybe ranks in the top 20 crisis that I have had in my life and I have gotten through 90% of these top 20 crisis successfully. So I am will not give up that easily. While it may not be apparent, we are about 75% through this crisis and it is going damn well. We have defied the odds to get here and we are very close to making it out.

Please keep the faith. Your loyalty, commitment, and support are more important than ever. I need you to keep Eric and Cornelius and others motivated. I need you to maintain your loyalty, support, and commitment and know that I am here listening and doing the best I can.

I was told that we had no chance of surviving, no chance of getting money, and that we should have liquidated and declared bankruptcy. I give you my word I won't sleep a proper nights rest until we have gotten ourselves out of this.

— On Sat, 1/3/09, Felipe Herrera <felipe.herrera@corp.power.com> wrote:
From: Felipe Herrera <felipe.herrera@corp.power.com>
Subject: RE: response to your December 26th e-mail
To: "SteveVachani" <steve@stevevachani.com>
Date: Saturday, January 3, 2009, 5:33 AM

I am sorry if I didn't make myself clear. We need lawyers to even know the

proper way of responding to this. For example, in Brazil when you are sued you have 15 days to respond, otherwise the facts alleged by the plaintiff are deemed true and there is a judgment by default, which means we are convicted before even having a chance to defend ourselves. This is serious. It is a real lawsuit that can escalate and cost us a lot of money. It is better to prevent this by spending a little money now. This is now unavoidable.

The response most likely needs to be in a set form and filed properly and in a timely fashion at the District Court of California in San Jose. You should know there is no free lunch, let alone free legal advice. If you are talking about chatting with friends and family, people we know that are lawyers in the U.S., etc, this is not acceptable. It would be amateur, unprofessional and naïve - and as I mentioned, could cause more problems. No one is going to draft a formal defendant's answer without charging us.

I am not sure what your plans are for the money that is coming in, but I am worried it will not be used towards the right things. Such things being unequivocally the payment of delayed salaries and other debts to employees/formal employees, and our defense from lawsuits. We need to do this to survive. Seriously. The fact that we haven't is killing us and we are losing the respect of our own people and consequently of others outside the company. I don't know if you see this.

Look at what is happening....the whole office in Rio is gone, now Colaço, Marcio quit, we have to fire most people who are left....Cornelius is probably leaving as well. And you know this is not just because of the lack of money. Not just because of the Fir fiasco. We didn't have money last year until the end of December, but people believed in something, they believed in the way the company was being or was going to be managed once the money came in. This is not the case now. We have people who haven't even been in the company for that long (like Colaço and Cornelius) jumping ship out of frustration (please note these are the people who were seeing up close what was being done with the money). You have to admit that something else went wrong or is still going wrong other than just the lack of investment. And perhaps the lack of investment stemmed from the same problem.

We need to gain people's respect back. Our own too. We should invest in respect and infrastructure. And I don't mean just technological as it is clear that it is not enough. We always talked about investing in people, but it just seems to everyone now that it was blah blah blah. In order to show we truly care, we are to pay what we owe them. In order to deserve the respect of investors, suppliers, creditors in general, and consequently of the market, we need to defend ourselves from the pending and imminent lawsuits and clean our name. Moving the headquarters to Salvador or even another country, not paying what we owe people and saying, "go ahead and sue me" is sloppy and doesn't inspire a lot of respect and admiration from anyone. Even from the people who are still in the company; even from the people from Salvador.

Please listen. I need to know that you read this through the end that you listened.

We always talk about perception. The common perception now is that you don't read emails carefully and until the end; you read them quickly in your BB and that you don't listen; that your optimism is not just optimism, but a delusion. I heard this from basically EVERYONE and I have to agree. Please show that you have listened. Let's please use the money that is coming in wisely to satisfy our current debts. It is not time to expand or make risky moves. I am not being overly conservative. You always thought that I was and because of this prejudice you didn't listen, and we are where we are now. Let's take a step back and organize the house. Please.

Thanks,

Felipe

From: steve@stevevachani.com [steve@stevevachani.com]
Sent: Saturday, January 03, 2009 10:51 AM
To: Felipe Herrera
Subject: RE: response to your December 26th e-mail

We should definitely understand our options. We should also understand what they intend to do. I know it is your job to see the worst and that is good. They will communicate their intentions to us on Tuesday. Most likely, they will give us a bunch of requirements.

That being said, we should definitely get some free advice and be prepared in the event they do anything.

Thanks,
Steve

--- On Sat, 1/3/09, Felipe Herrera <felipe.herrera@corp.power.com> wrote:
From: Felipe Herrera <felipe.herrera@corp.power.com>
Subject: RE: response to your December 26th e-mail
To: "SteveVachani" <steve@stevevachani.com>
Date: Saturday, January 3, 2009, 4:24 AM

Steve,

With the holidays and all festivities, I only saw this now. It is pretty messed up they decided to sue on December 30! They should have done it before or at least waited for the new year.

In any event, I think you grasp the seriousness of this issue. I strongly advise that we should seek the help of American attorneys on this matter as delayed or inappropriate responses in form or content could harm us even more. If you read the lawsuit until the end, you will see that they are not just asking for us to cease and desist, but they are also suing for damages, for an amount yet to be determined. If we consider they have 132 million unique visitors in a month, according to the records, and that they claim to have suffered "irreparable and incalculable damages", we ought to be alarmed and worried about what that figure would be.

Please allow me to contact an attorney at Cooley Godward or at a similar firm, so that we can be properly advised and avoid further damage. I suggest that I

call and speak to them on Monday and possibly fly there to meet with them as soon as we have some cash.

Please give me a call or let me know when you are available so we can discuss this further. Time is of the essence here.

Thanks,
Felipe

From: steve@stevevachani.com [steve@stevevachani.com]
Sent: Friday, January 02, 2009 11:52 PM
To: Felipe Herrera; McCullagh, James R. (Perkins Coie)
Cc: Mark Howitson; Sam O'Rourke; Cutler, Joseph P. (Perkins Coie)
Subject: RE: response to your December 26th e-mail

Ok. Please let us know any additional steps we will need to take to fully address your requests from your complaint. We await this so we can take these additional steps to bring this to resolution.

Thanks,
Steve

--- On Fri, 1/2/09, McCullagh, James R. (Perkins Coie)
<JMcCullagh@perkinscoie.com> wrote:
From: McCullagh, James R. (Perkins Coie) <JMcCullagh@perkinscoie.com>
Subject: RE: response to your December 26th e-mail
To: steve@stevevachani.com, felipe.herrera@powerinc.net
Cc: "Mark Howitson" <mhowitson@facebook.com>, "Sam
O'Rourke" <samo@facebook.com>, "Cutler, Joseph P. (Perkins
Coie)" <JCutler@perkinscoie.com>
Date: Friday, January 2, 2009, 5:33 PM

Mr. Vachani,

Facebook is continuing to evaluate Power.com's compliance with Facebook's demands. Facebook does not consider that Power.com's recent actions have resolved all of the issues raised by the lawsuit. We hope to be able to provide you with more information next week.

Regards,
Jim
Jim McCullagh | Perkins Coie LLP
1201 Third Avenue, Suite 4800
Seattle, WA 98101-3099
PHONE: 206.359.6329<LiveCall:206.359.6329>
FAX: 206.359.7329<LiveCall:206.359.7329>
CELL: 206.434.6678<LiveCall:206.434.6678>
E-MAIL: jmcullagh@perkinscoie.com

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From: steve@stevevachani.com [<mailto:steve@stevevachani.com>]
Sent: Friday, January 02, 2009 5:10 PM
To: filipe.herrera@powerinc.net; McCullagh, James R. (Perkins Coie)
Cc: Mark Howitson; Sam O'Rourke; Cutler, Joseph P. (Perkins Coie)
Subject: RE: response to your December 26th e-mail

We are moving forward to sharing with the media and those who ask how we intend to use Facebook connect as they are asking. We would really like to communicate with interested parties that we have resolved this issue with Facebook and complied with all of Facebook's demands.

Because of the amount of media attention, we would really love to communicate this sooner.

James or Joseph, do you have a moment to speak very quickly on how we can confirm resolution on this

--- On Wed, 12/31/08, McCullagh, James R. (Perkins Coie) <JMcCullagh@perkinscoie.com> wrote:
From: McCullagh, James R. (Perkins Coie) <JMcCullagh@perkinscoie.com>
Subject: RE: response to your December 26th e-mail
To: steve@stevevachani.com, filipe.herrera@powerinc.net
Cc: "Mark Howitson" <mhowitson@facebook.com>, "Sam O'Rourke" <samo@facebook.com>, "Cutler, Joseph P. (Perkins Coie)" <JCutler@perkinscoie.com>
Date: Wednesday, December 31, 2008, 4:32 PM

Mr. Vachani,

This email acknowledges receipt of your email below. We are confirming your representations of compliance with Facebook's requests and will respond more fully in due course.

Regards,

Jim

Jim McCullagh | Perkins Coie LLP
1201 Third Avenue, Suite 4800
Seattle, WA 98101-3099
PHONE: 206.359.6329<[LiveCall:206.359.6329](tel:206.359.6329)>
FAX: 206.359.7329<[LiveCall:206.359.7329](tel:206.359.7329)>
CELL: 206.434.6678<[LiveCall:206.434.6678](tel:206.434.6678)>
E-MAIL: jmccullagh@perkinscoie.com

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From: steve@stevevachani.com [<mailto:steve@stevevachani.com>]

Sent: Wednesday, December 31, 2008 4:13 PM
To: filipe.herrera@powerinc.net; McCullagh, James R. (Perkins Coie)
Cc: Mark Howitson; Sam O'Rourke; Bates, Leota (Perkins Coie); Cutler, Joseph P. (Perkins Coie)
Subject: RE: response to your December 26th e-mail

In order for us to facilitate a healthy beginning in our discussions and in our communications with interested parties and media who may ask about our relationship with Facebook, we would request that Facebook acknowledge our compliance and remove the filed lawsuit from public records as soon as possible.

We think it is in both company's best interests to transform our relationship into a positive one and look forward to offering feedback and advice to the Facebook Connect team on ways to expand Facebook connect's functionality to encourage more industry wide innovation between developers and Facebook.

We had only requested that we have more time to prevent a disruption among users, but per your request, we complied and are looking forward to completing our new version with Facebook connect compliance.

--- On Wed, 12/31/08, McCullagh, James R. (Perkins Coie)
<JMcCullagh@perkinscoie.com> wrote:
From: McCullagh, James R. (Perkins Coie) <JMcCullagh@perkinscoie.com>
Subject: RE: response to your December 26th e-mail
To: steve@stevevachani.com, filipe.herrera@powerinc.net
Cc: "Mark Howitson" <mhowitson@facebook.com>, "Sam O'Rourke" <samo@facebook.com>, "Bates, Leota (Perkins Coie)" <LBates@perkinscoie.com>, "Cutler, Joseph P. (Perkins Coie)" <JCutler@perkinscoie.com>
Date: Wednesday, December 31, 2008, 8:28 AM

Dear Mr. Vachani,

We appreciate your prompt response, but your proposed removal of Facebook in 5-6 days is NOT acceptable. Your solicitation and storage of Facebook usernames and passwords, and your promotional activities that spam to Facebook users must stop immediately. Facebook has been very clear in its demands and patient in allowing Power time to make the necessary changes. That patience expired when you forced Facebook to file a lawsuit against you. You have provided no reason why you cannot bring your service into compliance other than your own convenience. Your willful violation of Facebook's rights continues to exacerbate the damage to Facebook and is affecting any desire that Facebook may have to conduct business with you.

As stated in Mr. Cutler's email to you yesterday, we await your confirmation by the end of business today that you will immediately comply with Facebook's demand.

Regards,

Jim
Jim McCullagh | Perkins Coie LLP
1201 Third Avenue, Suite 4800
Seattle, WA 98101-3099
PHONE: 206.359.6329<LiveCall:206.359.6329>
FAX: 206.359.7329<LiveCall:206.359.7329>
CELL: 206.434.6678<LiveCall:206.434.6678>
E-MAIL: jmcullagh@perkinscoie.com

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From: steve@stevevachani.com [mailto:steve@stevevachani.com]
Sent: Wednesday, December 31, 2008 2:59 AM
To: Cutler, Joseph P. (Perkins Coie)
Cc: filipe.herrera@powerinc.net; McCullagh, James R. (Perkins Coie); Mark Howitson; Sam O'Rourke; Bates, Leota (Perkins Coie); Demetrescu, Nicole (Perkins Coie); Mrazik, Ryan T. (Perkins Coie)
Subject: Re: response to your December 26th e-mail

I have instructed our guys to complete the take down of Facebook from Power.com

While we would like to have avoided the disruption in service to our users until we have completed the Facebook connect integration, we understand your position and after further discussions have decided that we will proceed with take down of the service. I sent an email to our team today to initiate take down of the current version of Facebook inside of Power. I will send you an email confirmation by this Monday formally responding to your letter and confirming our compliance with your requests.

There is nobody in our offices today, tomorrow, and Friday, but Facebook should be removed completely from Power.com by Monday.

We are working to complete the Facebook connect integration as soon as possible and after the take down has been completed, we will hope to share our ideas on how improve Facebook connect to facilitate greater functionality from companies like Power.

As stated in our previous email, we are already working to integrate Facebook connect. We look forward to more productive conversations on a business side in the future on ways to expand the functionality of Facebook connect and address issues of how to expand the distribution of Facebook content in ways that are mutually beneficial and agreeable to Facebook.

Thanks,
Steve

--- On Tue, 12/30/08, Cutler, Joseph P. (Perkins Coie)
<JCutler@perkinscoie.com> wrote:
From: Cutler, Joseph P. (Perkins Coie) <JCutler@perkinscoie.com>

Subject: response to your December 26th e-mail
To: steve@stevevachani.com
Cc: filipe.herrera@powerinc.net, "McCullagh, James R. (Perkins Coie)"
<JMcCullagh@perkinscoie.com>, "Mark Howitson"
<mhowitson@facebook.com>, "Sam O'Rourke"
<samo@facebook.com>, "Bates, Leota (Perkins Coie)"
<LBates@perkinscoie.com>, "Demetrescu, Nicole (Perkins Coie)"
<NDemetrescu@perkinscoie.com>, "Mrazik, Ryan T. (Perkins Coie)"
<RMrazik@perkinscoie.com>
Date: Tuesday, December 30, 2008, 5:28 PM

Dear Mr. Vachani:

Your response of late Friday, December 26, 2008, that Power.com has made the unilateral decision to continue to violate Facebook's rights is unacceptable. Earlier today, Facebook filed a lawsuit against Power.com. I have attached a copy of the lawsuit for your convenience.

This matter is of extreme importance to Facebook and Power.com's blatant and knowing violation of Facebook's rights must immediately stop. Power.com must

- * Cease soliciting Facebook usernames and passwords;
- * Cease all integration of Facebook in Power.com;
- * Remove all Facebook usernames, passwords, friend lists, and other information gathered from Facebook from active servers and preserve all such information off line;
- * Remove all references to Facebook;
- * Remove all Facebook Trademarks;
- * Cease using Power.com to send messages to Facebook users;
- * Cease circumventing Facebook security measures; and
- * Comply with any and all Facebook Terms of Use

In addition, you must preserve and not destroy all information that may be relevant to the causes of action described in the attached Complaint, including but not limited to all electronically stored information related in any way to Power.com's interaction with Facebook, Facebook's website, and/or Facebook users.

If Power.com does not comply with these demands by the CLOSE OF BUSINESS, TOMORROW, DECEMBER 31, 2008, Facebook will seek a Temporary Restraining Order against Power.com. Please have your attorneys contact me immediately.

Very truly yours,

Joseph P. Cutler

Joseph P. Cutler | Perkins Coie LLP

Attorney at Law
1201 Third Avenue, Suite 4800
Seattle, WA 98101-3099
jcutler@perkinscoie.com <<mailto:jcutler@perkinscoie.com>>

206.359.6104 <LiveCall:206.359.6104> (office) |
206.359.7104 <LiveCall:206.359.7104> (fax)

Professional

Biography<http://www.perkinscoie.com/professionals/professionals_detail.aspx?professional=139>

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